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C O N F I D E N T I A L SECTION 01 OF 02 PRETORIA 003721

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SUBJECT: MASIYIWA SKEPTICAL ON MBEKI ZIMBABWE MEDIATION,  
BUT UPBEAT ON ELECTIONS

REF: A. HARARE 935

[1](#)B. PRETORIA 3519

[1](#)C. PRETORIA 2478

Classified By: Deputy Chief of Mission Donald Teitelbaum. Reasons 1.4(b) and (d).

[1](#)1. (C) SUMMARY: Mugabe is not serious about the SADC/Mbeki facilitation, according to exiled Zimbabwean businessman Strive Masiyiwa. Masiyiwa dismissed reports of a MDC-ZANU-PF agreement on a new constitution (refs A & B), noting that the two sides reached a similar deal in 2004 that went nowhere. Nevertheless, Masiyiwa was optimistic that the MDC could win elections in 2008 if the party raises sufficient funds (he estimates they need USD 10 million) and runs an effective campaign. Masiyiwa is urging the two MDC factions to reunite since every vote could count in a close election. Masiyiwa is no longer involved in the Zimbabwe Economic Recovery Plan (ZERP) and believes that the South African Government has largely taken over (and is funding) the initiative. END SUMMARY.

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Mbeki Facilitation Achieved Nothing Yet  
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[1](#)2. (C) Exiled Zimbabwean businessman Strive Masiyiwa, CEO of Econet Wireless, told PolOff October 18 that the Mbeki/SADC facilitation in Zimbabwe will achieve "only what Mugabe wants, and nothing more." Masiyiwa dismissed reports of an agreement on a new "compromise" constitution (refs A and B), saying that ZANU-PF and the MDC initialed a similar document in 2004. Mugabe killed the deal then and will do the same thing again. "Call me when Parliament passes the constitution, then I will believe it." Mbeki has no leverage over Mugabe, Masiyiwa argued, especially since the South African President is "at the weakest point in his presidency."

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Yet MDC Could Win Elections  
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[1](#)4. (C) Despite Masiyiwa's pessimistic view of the Mbeki facilitation, he believes that the MDC can still win the March 2008 elections, even if they only have the same "political space" they had during the 2005 parliamentary elections. (COMMENT: Masiyiwa is a perpetual optimist and believed that the MDC would win the 2005 parliamentary elections. END COMMENT.)

[1](#)5. (C) Analyzing the elections from a business perspective, Masiyiwa tallies more "assets" than "liabilities" for the MDC. On the asset side:

-- the economy continues to deteriorate, creating severe hardship for the people;  
-- ZANU-PF is split; and  
-- Robert Mugabe is 83 years old, and is not the campaigner he once was.

On the liability side for the MDC:

-- ZANU-PF has the repressive machinery to disrupt the MDC campaign (although the police and army are much weaker than in 2005);  
-- the press is not free; and  
-- the opposition is split.

16. (C) Masiyiwa believes that the MDC can win if it has adequate funding, speculating that the party would need USD 10 million. He has urged the MDC to plan for a hard-hitting, aggressive campaign in the eight-week period before the elections. In past elections, Mugabe has opened the political environment slightly in this period -- or at least cut back on the violent repression -- in part because regional observers are present in the country.

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Elections Likely in March  
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17. (C) Masiyiwa is convinced that Mugabe will hold elections in March 2008, despite MDC and other pundits claiming the elections will likely be postponed. Masiyiwa recounted two anecdotes to prove his point:

-- Masiyiwa is part owner of a grocery store chain in Zimbabwe, as well as the CocaCola Schweppes distributorship.

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Senior GOZ officials have pressured the grocery chain and Schweppes in recent days to "get goods on the shelves" by early 2007. He takes as a sign that senior ZANU-PF strategists realize that empty stores present political difficulties and want to "fix this" before the election campaign. What they do not seem to realize, Masiyiwa explained, is that you cannot "snap your fingers" and restart the supply chain.

-- A group of "questionable" white South African businessmen approached Masiyiwa's cellular phone company to buy broadcasting bandwidth over Zimbabwe in March. When asked why, the businessmen said they were acting on behalf of ZANU-PF and that President Mugabe plans to address rallies via large-screen televisions since he is not able to move around the country. While Masiyiwa dismissed the idea as "hare-brained," he took it as confirmation that ZANU-PF is openly planning for a March election.

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MDC Unity  
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18. (C) Masiyiwa is encouraging the two MDC factions to reunite. Even though the Arthur Mutambara-led faction is nothing more than a "splinter" and has limited support, its 5-10 percent of the total votes could be critical in the presidential election. The best time for the "reunification" would be in January, after the ZANU-PF conference -- to keep ZANU-PF focused on its internal divisions -- but before March elections.

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Brown Misstep  
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19. (C) U.K. Prime Minister Gordon Brown's decision not to attend the EU-Africa summit in Lisbon was a "major blunder," Masiyiwa argued (and he has told this to U.K. High Commission

officials). The hard work that had been done to convince African leaders that Mugabe was a problem was largely undone by Brown's announcement, which forced African leaders to close ranks behind Mugabe.

¶10. (C) Masiyiwa asked why the Europeans could not have found "some Spanish judge willing to indict Mugabe"? This would have scared Mugabe and kept him away from the Portugal summit, without undermining efforts to isolate Mugabe in Africa.

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SAG Takes Over ZERP?  
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¶11. (C) Asked about the Zimbabwe Economic Reconstruction Plan (ZERP), Masiyiwa said he is no longer directly involved. (NOTE: Per Ref C, ZERP is an initiative by exiled Zimbabwean economists and businessmen to plan for Zimbabwe's economic recovery once an internationally-acceptable government takes power. END NOTE.) Nkosana Moyo, the London-based former Zimbabwean Minister of Industry and Trade, continues to lead the initiative, but has told Masiyiwa that he "doesn't need his money." Masiyiwa speculated that the South African Government has essentially taken over ZERP and is funding its activities. Wellington Chadahumbe, a Johannesburg-based businessman, told PolOff September 20 that he believed the tensions between Masiyiwa and Moyo are largely personal.  
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